

MURRAY CCS – 8SR

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application	:	DOCKET NO. 02-057-02
of Questar Gas Company for	:	SURREBUTTAL TESTIMONY
an Increase in Rates and	:	OF CHERYL MURRAY
Charges	:	FOR THE COMMITTEE OF
	:	CONSUMER SERVICES

11 October, 2002

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Q. PLEASE STATE YOUR NAME, WHO YOU REPRESENT AND YOUR CURRENT JOB POSITION.

A. My name is Cheryl Murray. I am employed as a Utility Analyst for the Committee of Consumer Services (Committee).

Q. PLEASE STATE THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY.

A. I am responding to the rebuttal testimony of Ronald L. Burrup wherein he presents the position of the Division of Public Utilities (Division) on proposed service standards and filing requirements for Questar Gas Company (QGC or Company).

Q. WHAT DOES THE DIVISION PROPOSE?

A. The Company currently voluntarily files with the Division a confidential "Customer Satisfaction Standards Quarterly Report". The Division recommends that the Commission adopt four reporting standards for QGC's customer service.

Q. DOES THE COMMITTEE AGREE WITH THE DIVISION'S RECOMMENDATIONS REGARDING REPORTING STANDARDS?

A. In general the Committee does agree with the reporting standards recommended by the Division. My testimony will suggest a few modifications to the reporting standards and one additional customer service item that the Committee proposes be adopted.

Q. PLEASE DISCUSS EACH OF THE REPORTING STANDARDS.

A. I will list each Reporting Standard followed by comments.
Standard 1. Questar should be required to file its Quarterly Customer Satisfaction Standards Report (as modified in Confidential DPU Exhibit 2.5 R), with the Commission and the Division. The report should also be disaggregated to show the results of each Questar Gas Company (QGC) region separately. The report would be used as the measurement of Questar's customer service levels in the

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future.

The Committee does not agree with Questar's assertion that the information contained in this report is confidential. Competitive issues have been cited as a reason for confidentiality. The Committee is unconvinced that this is a reasonable contention. However, if the Commission continues to allow the report to be filed as a confidential document, the Committee requests that it be included as a recipient since the information is pertinent to the interests of the customers the Committee represents.

Standard 2. A second Questar report should be filed and made public which, at a minimum, shows selected information on such subjects as: call answering; emergency responses; customer service activations; response to billing inquiries; and safety issues. Questar should file the report quarterly, 30 days after the end of each quarter.

The Committee supports the Division's efforts to refine the current voluntary reporting process to allow ratepayers access to information that impacts the services they receive. Customers have a right to know what services they are paying for and at what level those services are being provided. As long as Questar is allowed to file the Quarterly Customer Satisfaction Standards Report as a confidential document, the second report should be required.

Standard 3. Questar should file a statement identifying what customer services it currently provides and what customer services it does not provide.

The Committee agrees that Questar should make public the services it currently provides. However, in addition to a statement identifying what customer services it does not provide, it would perhaps be more informative to list the services it was providing at the time of the last rate case that are no longer offered and the reasons why they are no longer offered.

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Standard 4. The service quality group that has been meeting should continue meeting to work out reporting and confidentiality issues.

The Committee agrees that meetings of the service quality group should be continued. Reporting Standard 1 highlights the need for added clarity regarding the confidential nature of the standards and the levels of service. Later in my testimony I will suggest other issues that this group should address.

Q. ARE THERE ANY ADDITIONAL CUSTOMER SERVICE ISSUES THE COMMITTEE WOULD LIKE TO ADDRESS?

- A. Yes. It is important that customers understand their rights if they have a problem or complaint involving a public utility. In an effort to make the process for filing a complaint as visible as possible, the Committee would like to see Questar publish dispute resolution and complaint procedural guidelines on its website and include them with customer bills at least annually.

This issue has been addressed in the service quality meetings and the Company provided a description of steps customers should take in the case of complaints, starting with contacting the Company and ending with a formal complaint filed with the Commission. The Committee requested minor changes to the document, but the meetings ended prior to any agreement being reached.

Q. WHY ARE CUSTOMER SERVICE STANDARDS IMPORTANT?

- A. One purpose of establishing customer service standards is to prevent the Company from sacrificing service quality in its pursuit of cost savings. Questar demonstrated its willingness to eliminate services in an effort to increase profits following the last rate case. Mr. Burrup at page 3, lines 16 through 25 and page 4, lines 1 through 8, of his surrebuttal testimony clearly points out, based on the Company's testimony,¹ the potential for reduced levels of service following the outcome of this rate case.

¹ Questar – Direct testimonies of Alan K. Allred, Docket 02-057-02, page 9 and Ronald W. Jibson, Docket 02-057-02, pages 5-7.

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Q. ARE THE SERVICES QUESTAR CURRENTLY PROVIDES REASONABLE?

A. At present the Committee does not have enough information to judge the reasonableness of the standards but views them as a starting point. They are somewhat arbitrary and mostly based on Questar's current levels of service with no benchmarking. A goal of the service quality group should be to determine if those standards are reasonable and if they meet customer needs and expectations.

Q. DO YOU AGREE WITH THE DIVISION THAT THE REPORT ON SERVICE STANDARDS SHOULD BE PUBLIC INFORMATION?

A. Absolutely. It is appropriate that customers be informed of the services for which they are paying. They also have a right to know if those services change or are diminished. Changes in services are often not immediately recognizable. The Committee believes it is easier to hold the Company to publicly stated service standards than to attempt to get services reinstated after they have been reduced or eliminated.

Q. WOULD SERVICE STANDARDS ESTABLISHED IN THIS DOCKET BE SUBJECT TO CHANGE?

A. Certainly. Customer's needs and expectations change over time. It is possible that some services would become more important and others less important. Service standards should be dynamic, but they should not be changed or eliminated without due consideration and public input.

Q. WHAT IS THE COMMITTEE'S POSITION ON PENALTIES FOR FAILURE TO MEET THE SERVICE STANDARDS?

A. Without some form of penalty attached to the customer service standards they can be easily ignored. Penalties should be high enough to remove any financial incentive for the Company to disregard the standards. That being said, the

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Committee is not proposing penalties be established at this time. It would be appropriate for the service quality group to address the issue of penalties.

Q. DOES THAT CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes.